

1 Michael J. Gearin, WSBA # 20982  
David C. Neu, WSBA # 33143  
2 Brian T. Peterson, WSBA # 42088  
K&L GATES LLP  
925 Fourth Avenue, Suite 2900  
3 Seattle, WA 98104-1158  
(206) 623-7580  
4  
5  
6  
7

Honorable Christopher M. Alston  
Chapter 11  
Hearing Location: Rm. 7206  
Hearing Date: Friday, May 4, 2018  
Hearing Time: 9:30 a.m.  
Response Date: April 27, 2018

8 UNITED STATES BANKRUPTCY COURT  
9 WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

10 In re:

11 NORTHWEST TERRITORIAL MINT, LLC,  
12 Debtor.  
13  
14

Case No. 16-11767-CMA

RENEWED MOTION FOR ORDER  
APPROVING THE SALE OF CERTAIN OF  
THE DEBTOR'S ASSETS FREE AND CLEAR  
OF ALL LIENS, CLAIMS, INTERESTS, AND  
ENCUMBRANCES TO MEDALCRAFT  
MINT, INC.

15  
16 **I. INTRODUCTION**

17 Mark Calvert (the "Trustee"), Chapter 11 Trustee for Northwest Territorial Mint, LLC  
18 ("NWTM" or the "Debtor"), submits this Motion, which requests entry of an order approving the  
19 sale of the Medallic tradename, website, customer lists, archives, tools, specific machinery, certain  
20 company owned Medallic dies and other property to Medalcraft Mint, Inc. ("Medalcraft") free and  
21 clear of all liens, claims, interests, and encumbrances. Approval of the sale to Medalcraft is in the  
22 best interests of the estate and should be approved by the Court.

23 **II. BACKGROUND**

24 On April 1, 2016, the Debtor commenced this case by filing a voluntary petition under  
25 chapter 11 of the United States Bankruptcy Code. On April 11, 2016, the Court appointed Mark  
26 Calvert as chapter 11 Trustee. *See* Dkt. No. 51.

RENEWED MOTION FOR ORDER APPROVING SALE  
OF CERTAIN OF THE DEBTOR'S ASSETS FREE AND  
CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND  
ENCUMBRANCES TO MEDALCRAFT MINT, INC.- 1

501163369 v3

K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 The Trustee's goal in this case has been to maximize the recovery of creditors. Since  
2 May 2017, the Trustee has engaged in marketing efforts related to a potential sale of the business.  
3 The Trustee entertained expressions of interest from multiple parties including offers to purchase the  
4 assets of the estate on a going concern basis and for substantially all of the assets of the estate, but no  
5 concrete offer materialized for such a sale on terms which provided any meaningful return to the  
6 estate. Because no concrete offer materialized, and because of the inadequate cash resources  
7 available to the Trustee, the Trustee closed the custom minting business on December 29, 2017 and  
8 prepared to liquidate the assets of the estate via auction.

9 While the Trustee prepared to sell the Debtor's assets at auction, he engaged in negotiations  
10 with multiple buyers for various aspects of the Debtor's assets. Ultimately, the Trustee separately  
11 reached agreements with Industrial Assets Corp. ("Industrial Assets") and Medalcraft for the  
12 purchase and sale of certain assets of the Debtor.

13 The Trustee entered into an Asset Purchase Agreement dated January 26, 2018 with  
14 Medalcraft (the "Initial Medalcraft APA"), and on February 16, 2018, the Trustee filed his Motion  
15 for Order Approving Sale of the Debtor's Assets Free and Clear of all Liens, Claims, Interests and  
16 Encumbrances to Medalcraft Mint, Inc. (the "Initial Medalcraft Sale Motion"). Following the filing  
17 of the Initial Medalcraft Sale Motion, the Trustee received an additional offer for the assets covered  
18 by the Initial Medalcraft APA from an individual named Rodger May. At a hearing on March 19,  
19 2018, the Court denied entry of the Initial Medalcraft Sale Motion.

20 Immediately subsequent to the March 19, 2018 hearing, the Trustee and Rodger May began  
21 engaging in discussions regarding a potential purchase, by Rodger May, of the majority of the  
22 estate's remaining assets. To date, the Trustee has not received an offer from Rodger May resulting  
23 from these discussions.

24 A large portion of the coining dies which Medalcraft agreed to purchase are related to former  
25 Medallic Art Company LLC's ("MACLLC") customers such as colleges and universities which  
26 traditionally ordered medallions and medals for graduation ceremonies. As such, the peak business

RENEWED MOTION FOR ORDER APPROVING SALE  
OF CERTAIN OF THE DEBTOR'S ASSETS FREE AND  
CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND  
ENCUMBRANCES TO MEDALCRAFT MINT, INC.- 2  
501163369 v3

K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 season for MACLLC was traditionally in the spring. The Trustee is growing increasingly concerned  
2 that if a deal is not consummated for these dies quickly, their value to Medalcraft will decrease, or  
3 that Medalcraft will lose interest in acquiring the dies. As a result, the Trustee has entered into a  
4 new Asset Purchase Agreement dated March 28, 2018 with Medalcraft (the "Medalcraft APA").  
5 The only substantive difference between the Initial Medalcraft APA and the Medalcraft APA is an  
6 increase in the purchase price to \$1,000,000.

7 The Medalcraft APA was the result of arms-length negotiations between the Trustee and  
8 Medalcraft. A copy of the Medalcraft APA is attached as Exhibit A to the Declaration of Mark  
9 Calvert filed in support of this Motion. The Medalcraft APA provides that Medalcraft will purchase,  
10 among other things, the Medallic Art name and website; marketing materials; Medallic archives;  
11 customer list; sales history; vendor list; certain company owned dies associated with any customer  
12 for which there has been a sale in the last 20 years; tools; and woodworking equipment (the  
13 "Medalcraft Assets"). The Medalcraft APA also provides that Medalcraft will purchase three pieces  
14 of specifically identified equipment. The Medalcraft APA provides for a purchase price of  
15 \$1,000,000. Medalcraft will provide a nonrefundable earnest money deposit in the amount of  
16 \$100,000 in connection with the sale.

17 The Trustee believes that the Medalcraft Assets offer is on reasonable terms. If the Trustee  
18 does not sell the Medalcraft Assets to Medalcraft, there is the potential that there will be no sale of  
19 the Medalcraft Assets or that he will be forced to attempt to sell such assets at auction. The proposed  
20 sale to Medalcraft guarantees a certain return for the estate. Since the Medalcraft sale will close  
21 immediately upon Court approval, the assets will be expeditiously moved from the Dayton facility,  
22 which aids the Trustee's efforts to conclude the use of that facility.

23 The Trustee has communicated with multiple interested purchasers regarding the sale of the  
24 assets of the Debtor over the course of more than six months. Based on his experience in marketing  
25 the assets which are the subject of the Medalcraft sale, the Trustee believes that the price offered for  
26

1 the assets is reasonable. The Trustee believes that it is in the best interests of the estate to  
2 consummate the sale to Medalcraft.

3 The Trustee seeks to sell the Medalcraft Assets free and clear of liens and encumbrances.  
4 Two creditors have asserted liens against certain of the assets of the estate, the validity of which  
5 liens are disputed by the Trustee. On February 13, 2018, the Court ordered that if Connie Hoff,  
6 Robert Hoff, Medallic Art Company, Ltd., Ross Hansen, Medallic Art Limited Partnership  
7 (“MALP”), or any of their affiliates (each an “Interested Party”) intend to object to a proposed sale  
8 of estate property on the basis that assets sought to be sold by the Trustee are not property of the  
9 estate, they must commence an adversary proceeding by filing a verified complaint no later than  
10 5:00 p.m. on February 22, 2018. “Any Interested Party who does not timely commence suit waives  
11 any and all rights to assert in this case that the Medallic Assets are not property of the estate.” Dkt.  
12 No. 1449. As of the date of this Motion, no such verified complaint has been filed. The Trustee  
13 submits that there is no legitimate basis for an assertion that the assets which are the subject of the  
14 Medalcraft sale are the property of MALP or are otherwise not property of the bankruptcy estate.

15 The Hoffs allege that they hold a pre-petition security interest in certain personal property  
16 relating to a the Debtor’s lease for its Dayton facility. A copy of the Hoff Security Agreement is  
17 attached to the Declaration of Connie Hoff at Dkt. No. 1330, Ex. D. The Trustee disputes that the  
18 Hoffs hold a perfected security interest in the assets identified in the Security Agreement. MALP  
19 executed the Security Agreement on July 10, 2009 and it was perfected on the same day. The initial  
20 financing statement expired after five years, *i.e.*, July 10, 2014. The Hoffs did not file a continuation  
21 statement prior to the expiration of the initial UCC-1, causing their security interest to lapse.

22 Following the filing of this bankruptcy case, the Hoffs realized their security interest had  
23 become unperfected and attempted to perfect it with a new financing statement. The Hoffs  
24 attempted to file a new UCC-1 financing statement on April 21, 2016. The Hoffs further filed an  
25 amendment to their April 21, 2016 financing statement on May 17, 2017, which purported to add  
26 MACLLC as a debtor. MACLLC is the successor in interest to the defunct MALP, and it was

1 substantively consolidated with the Debtor *nunc pro tunc* as of April 1, 2016. Thus, the Hoffs'  
2 May 17, 2017 financing statement amendment was filed post-petition as to MACLLC.

3 The Hoffs' alleged pre-petition security interest in the estate's assets is subject to a bona fide  
4 dispute. Even assuming that the security interest was valid, its perfection after lapse was barred by  
5 the automatic stay rendering the security interest avoidable.

6 On February 14, 2018, the Court entered its Order Granting in Part and Denying in Part  
7 Motion for Relief from the Automatic Stay (Dkt. No. 1450). By that order, the Court granted a post-  
8 petition lien on all assets of the bankruptcy estate to secure any administrative claim they may be  
9 allowed under Section 507(a)(2) that arises from the Trustee's use of the Dayton Premises prior to  
10 the time the Trustee vacates the Dayton Premises.

11 Pan American Silver Corporation ("Pan American") asserts that it holds a security interest in  
12 one item of equipment that the Trustee intends to sell to Medalcraft.<sup>1</sup> The Trustee and Pan American  
13 have entered into a settlement agreement which allows Pan American a secured claim in the amount  
14 of \$20,000 to be paid from the sale of its collateral. The Trustee has noted a motion to approve the  
15 settlement for April 6, 2018.

16 The Debtor owns and possesses thousands of dies used by the Debtor to produce custom-  
17 made products (the "Coining Dies"). Prior to the hearing on the Initial Medalcraft Sale Motion,  
18 various customers of the Debtor objected to the sale of certain of the Debtor's Coining Dies,  
19 asserting an ownership interest in the dies. The Medalcraft APA intends to sell Medallic company  
20 owned Coining Dies, trim tools, and racks associated with any customer for which there has been a  
21 sale within the past twenty years. A very limited number of objecting parties assert an interest in the  
22 Coining Dies being sold to Medalcraft under the Medalcraft APA. The Trustee has concluded that,

23 <sup>1</sup> The original Pan American security agreement dated back to April, 4, 2005 and described ten items  
24 of equipment. Only seven of those items of equipment remained in the possession of the Debtor at  
25 the time the bankruptcy case was filed. Those items are: Columbia coining press 360 ton #6080-  
26 242, Clean Aire melt furnace, #M1225T-03, HME-K360 coining press #15413, Augenstein  
reduction machine type 505, #5034, Janvier reduction machine #2, Janvier reduction machine #4,  
and HME-K600 coining press #16371. Only the HME-K360 coining press #15413 is included in the  
assets in the Medalcraft sale.

1 with some limited exceptions, it was the Debtor's written policy that it owned the Medallic Coining  
2 Dies. While the Debtor charged customers a fee to create the dies, the Debtor retained ownership in  
3 the Coining Dies. The Debtor's written policy is maintained on its website, and was communicated  
4 in other documents. Employees of the Debtor, including the Debtor's former Director of Sales on the  
5 Medallic side, have confirmed this policy. The Debtor stored, preserved, and maintained most of its  
6 Coining Dies in its facilities at its own cost, and did not charge customers for die storage and  
7 maintenance. Medalcraft has acknowledged that there may be exceptions to the general rule of  
8 company ownership of the dies and has agreed to address such issues with individual customers post  
9 closing. Medalcraft has also confirmed that it will honor its longstanding policy that the dies which  
10 contain customer owned copyright or tradenames will not be used absent express permission from  
11 the customer. *See* Declaration of Jerry Moran. [Dkt No. 1460].

### 12 **III. EVIDENCE RELIED UPON**

13 This Motion relies on the arguments set forth herein; the Declarations of Trustee Mark  
14 Calvert filed in support of this Motion; the Declarations of Jerry Moran, Susan Skaggs, and Paul  
15 Wagner filed in support of the Initial Medalcraft Sale Motion (Dkt. Nos. 1458, 1459, and 1460); the  
16 pleadings and records on file in this case; and the arguments of counsel, if any.

### 17 **IV. ARGUMENT**

18 The Court should approve the Trustee's proposed sale of the Medalcraft Assets, free and  
19 clear of liens, claims, interests, and encumbrances, pursuant to the terms of the Medalcraft APA.  
20 Section 363(b) of the Bankruptcy Code provides that the Trustee is authorized to sell assets outside  
21 the ordinary course of its business. While the text of the Bankruptcy Code does not provide the  
22 standard for determining when it is appropriate for a court to authorize the sale of property of the  
23 estate, courts often approve a proposed sale if such sale is based upon the sound business judgment  
24 of the debtor. *See, e.g., Meyers v. Martin (In re Martin)*, 9 F.3d 389, 395 (3d Cir. 1996); *In re Lionel*  
25 *Corp.*, 722 F.2d 1063 (2d Cir. 1983).

1           **A. The Proposed Sale Meets the Requirements for a Sale Under 363(b).**

2           Here, a sound business reason exists for the proposed sale to Medalcraft. Namely, the  
3 objective of the Trustee's proposed sale is to maximize the proceeds of such sale for the benefit of  
4 the bankruptcy estate. *See, e.g., Four B. Corp. v. Food Barn Stores, Inc.* (*In re Food Barn Stores,*  
5 *Inc.*), 107 F.3d 558, 564-65 (8th Cir. 1997) (stating that in bankruptcy sales, "a primary objective of  
6 the Code [is] to enhance the value of the estate at hand"); *In re Integrated Res, Inc.*, 147 B.R. 650,  
7 659 (S.D.N.Y. 1992) ("It is a well-established principle of bankruptcy law that the objective of  
8 bankruptcy rules and the [Debtor's] duty with respect to such sales is to obtain the highest price or  
9 greatest overall benefit possible for the estate.") (alteration in original) (quoting *In re Atlanta*  
10 *Packaging Products, Inc.*, 99 B.R. 124, 130 (Bankr. N.D. Ga. 1988)). The Trustee has closed the  
11 Debtor's operations and proposes the sale to Medalcraft with an aim to maximize the recovery for  
12 the benefit of the estate.

13           The sale of assets outside of the ordinary course of business may be conducted by a public  
14 sale, or a private sale under appropriate circumstances. *See In re Bakalis*, 220 B.R. 525, 531 (Bankr.  
15 E.D.N.Y. 1998) ("Unlike judicial sales under the former Bankruptcy Act, the sale of estate property  
16 under the Bankruptcy Code is conducted by a trustee, who has ample discretion . . . to conduct  
17 public or private sales of estate property.") (internal quotations and citation omitted). The proposed  
18 sale to Medalcraft is the highest and best concrete offer that the Trustee has received to date and the  
19 Trustee does not believe he could obtain a higher and better offer within a reasonable period of time.

20           For purposes of 11 U.S.C. § 363(m), a "good faith purchaser" is one who buys "in good  
21 faith" and "for value." *Ewell v. Diebert (In re Ewell)*, 958 F.2d 276, 281 (9th Cir. 1992). "The  
22 requirement that a purchaser act in good faith . . . speaks to the integrity of his conduct in the course  
23 of the sale proceedings." *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143, 147 (3d Cir.  
24 1992) (quotations omitted). The "lack of good faith is shown by 'fraud, collusion between the  
25 purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other  
26

1 bidders.’’ *In re Ewell*, 958 F.2d at 281 (quoting *Community Thrift & Loan v. Suchy (In re Suchy)*,  
2 786 F.2d 900, 902 (9th Cir. 1985)); *see also In re Abbotts Dairies*, 788 F.2d at 147.

3 Here, the Medalcraft APA is the result of arm’s length negotiations between the Trustee and  
4 Medalcraft. It is not the result of any fraud or collusion between the Trustee and Medalcraft or  
5 between the Debtor and Medalcraft. Medalcraft is therefore a good-faith buyer within the meaning  
6 of 11 U.S.C. § 363(m).

7 The proposed purchase price of \$1,000,000, is fair and reasonable, and represents the highest  
8 and best concrete offer that the Trustee has received for the Medalcraft Assets.

9 **B. Good Cause Exists to Waive the Stay Under Fed. R. Bankr. P. 6004(h).**

10 Pursuant to Fed. R. Bankr. P. 6004(h), any order authorizing the use, sale, or lease of  
11 property other than cash collateral is stayed for 14 days, unless the court orders otherwise. As noted  
12 herein, given the liquidity concerns facing the Debtor’s estate, and the necessity that this sale close  
13 quickly, cause exists to waive the stay and permit the Trustee to quickly consummate the proposed  
14 sale to Medalcraft Assets.

15 **C. The Proposed Sale Satisfies the Requirements of 11 U.S.C. § 363(f).**

16 Pursuant to 11 U.S.C. § 363(f), a Trustee may sell property of the estate under 11 U.S.C. §  
17 363(b) free and clear of any interest in such property of any entity other than the estate only if (1)  
18 applicable non-bankruptcy law permits sale of such property free and clear of such interest; (2) such  
19 entity consents; (3) such interest is a lien and the price at which the property is to be sold is greater  
20 than the aggregate value of all liens on such property; (4) such interest is in bona fide dispute; *or* (5)  
21 such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of  
22 such interest. 11 U.S.C. § 363(f) (emphasis added). Here, there are multiple bases upon which the  
23 Court should authorize the Trustee sale of the Medalcraft Assets “free and clear.”

24 The Trustee has provided notice of this Motion to the creditors and parties in interest as  
25 required by the Court, so that if any entity claims a lien on the assets being sold, they will have an  
26 opportunity to object. If no such creditor objects, the sale free and clear will be permitted under



1 11 U.S.C. § 363(f)(2). Moreover, even if alleged secured creditors object to the sale, the sale free  
2 and clear is permissible under 11 U.S.C. § 363(f)(5) because there are legal and equitable  
3 proceedings in which a lienholder could be compelled to accept a money satisfaction of such lien,  
4 including the disposition of collateral under the default remedies provided in Washington's Uniform  
5 Commercial Code (Chapter 62A.9A RCW) or in a receivership proceeding pursuant to  
6 RCW 7.60.260.

7 In addition, the Motion satisfies the requirements of 11 U.S.C. § 363(f). With respect to Pan  
8 American, Pan American has consented to the sale of its purported collateral with their interest  
9 attaching to the proceeds. With respect to the Hoffs, the Hoffs' alleged security interest is subject to  
10 a bona fide dispute because it is subject to avoidance. The Trustee disputes that the Hoffs hold a  
11 perfected security interest in the assets listed on Exhibit "B" to the Security Agreement. MALP  
12 executed the Security Agreement on July 10, 2009. On July 10, 2009, the Hoffs' attorney filed a  
13 UCC-1 financing statement with the State of Nevada. The initial financing statement expired after  
14 five years, *i.e.*, July 10, 2014. The Hoffs did not file a continuation statement prior to the expiration  
15 of the initial UCC-1, causing their security interest to lapse and become unperfected.

16 Following the filing of this bankruptcy case, the Hoffs realized their security interest had  
17 become unperfected and attempted to perfect it with a new financing statement. The Hoffs  
18 attempted to file a new UCC-1 financing statement on April 21, 2016. The Hoffs further filed an  
19 amendment to their April 21, 2016 financing statement on May 17, 2017, which purported to add  
20 MACLLC as a debtor. MACLLC is the successor in interest to the defunct MALP, and it was  
21 substantively consolidated with the Debtor *nunc pro tunc* as of April 1, 2016. Thus, the Hoffs'  
22 May 17, 2017 financing statement amendment was filed post-petition as to MACLLC. The  
23 hypothetical lien creditor referenced in section 544 of the Bankruptcy Code is one holding a lien as  
24 of the date of the commencement of the case. Thus, any lien of the Hoffs is subject to avoidance  
25 under 11 U.S.C. § 544, and therefore is subject to a bona fide dispute. With respect to the Hoffs'  
26 post-petition lien, the Trustee believes that the Hoffs are adequately protected by having the lien

RENEWED MOTION FOR ORDER APPROVING SALE  
OF CERTAIN OF THE DEBTOR'S ASSETS FREE AND  
CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND  
ENCUMBRANCES TO MEDALCRAFT MINT, INC.- 9  
501163369 v3

K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

1 attach to the proceeds. The Trustee further believes that the Hoffs will consent to the sale, and that  
2 the value of any claim it holds is less than the purchase price of the Medalcraft Assets.

3 Furthermore, Section 363(f) of the Bankruptcy Code is satisfied because any lienholder also  
4 will be adequately protected by having its liens, if any, attach to the proceeds of the sale in the same  
5 order of priority, with the same validity, force, and effect that such creditor had prior to such sale,  
6 subject to any claims and defenses that the Trustee and the Debtor's bankruptcy estate may possess  
7 with respect thereto. For all of these reasons, the proposed sale free and clear of liens should be  
8 approved.

## 9 V. CONCLUSION

10 For the foregoing reasons, the Trustee respectfully requests that the Court enter an order in  
11 the form proposed by the Trustee, granting the Motion, authorizing his proposed sale to Medalcraft,  
12 and for such other relief as the Court deems appropriate under the circumstances.

13 DATED this 30th day of March, 2018.  
14

15 K&L GATES LLP  
16

17 By /s/ David C. Neu  
18 Michael J. Gearin, WSBA #20982  
19 David C. Neu, WSBA #33143  
20 Brian T. Peterson, WSBA #42088  
21 Attorneys for Mark Calvert, Chapter 11 Trustee  
22  
23  
24  
25  
26

RENEWED MOTION FOR ORDER APPROVING SALE  
OF CERTAIN OF THE DEBTOR'S ASSETS FREE AND  
CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND  
ENCUMBRANCES TO MEDALCRAFT MINT, INC.- 10  
501163369 v3

K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022

**CERTIFICATE OF SERVICE**

The undersigned declares as follows:

That she is a Paralegal in the law firm of K&L Gates LLP, and on March 30, 2018, she caused the foregoing document to be filed electronically through the CM/ECF system which caused Registered Participants to be served by electronic means, as fully reflected on the Notice of Electronic Filing.

Also on March 30, 2018, she caused the foregoing document to be placed in the mail to the Parties at the addresses listed below:

Northwest Territorial Mint LLC  
c/o Ross Hansen, Member  
P.O. Box 2148  
Auburn, WA 98071-2148

I declare under penalty of perjury under the laws of the State of Washington and the United States that the foregoing is true and correct.

Executed on the 30th day of March, 2018 at Seattle, Washington.

/s/ Denise A. Lentz  
Denise A. Lentz

RENEWED MOTION FOR ORDER APPROVING SALE  
OF CERTAIN OF THE DEBTOR'S ASSETS FREE AND  
CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND  
ENCUMBRANCES TO MEDALCRAFT MINT, INC.- 11

501163369 v3

K&L GATES LLP  
925 FOURTH AVENUE  
SUITE 2900  
SEATTLE, WASHINGTON 98104-1158  
TELEPHONE: (206) 623-7580  
FACSIMILE: (206) 623-7022